



UNITED STATES
DEPARTMENT OF TRANSPORTATION

How Can Cost Disallowances Be Avoided, Or At Least Minimized?

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COMMON AREAS OF DISALLOWANCE AND HOW TO AVOID THEM

▪ Conferences

A conference is defined as a meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-Federal entity and is *necessary and reasonable* for successful performance under the Federal award. **Allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of [modest] meals and refreshments, local transportation, and other items incidental to such conferences** unless further restricted by the terms and conditions of the Federal award.

Conferences. 2 C.F.R. §200.432

COMMON AREAS OF DISALLOWANCE AND HOW TO AVOID THEM, cont'd.

▪ Contributions and Donations

Costs of contributions and donations, including cash, property, and services, from the non-Federal entity to other entities, are unallowable.

Contributions and donations. 2 C.F.R. §200.434

▪ Entertainment Costs

Costs of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable, except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval of the Federal awarding agency.

Entertainment costs. 2 C.F.R. § 200.438

COMMON AREAS OF DISALLOWANCE AND HOW TO AVOID THEM, cont'd.

▪ Advertising and Public Relations

Costs of promotional items [i.e. materials branded with center logo having no purpose/value associated with the UTC], and memorabilia, including models, gifts, and souvenirs. Costs of advertising and public relations designed solely to promote the non-Federal entity.

Advertising and public relations. 2 C.F.R. §200.421(e)(3)(4)

▪ Participant Support Costs

Participant support costs means direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects.

Participant support costs. 2 C.F.R. §200.75



RESOURCES



- General Provisions of Grants for FY 2016 And FY 2018 University Transportation Centers Awards
- 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards
- Your Grant Manager



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Questions???

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